

Senate Study Bill 1098 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON QUIRMBACH)

A BILL FOR

1 An Act establishing a mental health professional loan
2 forgiveness program and fund.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 261.117 Mental health professional
2 loan forgiveness program.

3 1. As used in this section, "*underserved area*" means a
4 geographical area designated as a mental health care health
5 professional shortage area by the department of public health.

6 2. A mental health professional loan forgiveness program
7 is established to be administered by the commission. A mental
8 health professional, as defined in section 228.1, is eligible
9 for the program if the mental health professional is practicing
10 in an underserved area.

11 3. Each applicant for loan forgiveness under this section
12 shall, in accordance with the rules of the commission, do the
13 following:

14 *a.* Complete and file an application for mental health
15 professional loan forgiveness. The applicant shall be
16 responsible for the prompt submission of any information
17 required by the commission.

18 *b.* Complete and return on a form approved by the commission
19 an affidavit of practice verifying that the applicant is a
20 mental health professional practicing in an underserved area.

21 4. *a.* A mental health professional is eligible for loan
22 forgiveness payments under this section for not more than five
23 consecutive years.

24 *b.* The annual amount of loan forgiveness awarded under
25 this section to a mental health professional who practices
26 in an underserved area in this state shall not exceed the
27 resident tuition rate established for institutions of higher
28 learning governed by the state board of regents for the first
29 year following the mental health professional's graduation
30 from a graduate school, or twenty percent of the mental
31 health professional's total federally guaranteed Stafford loan
32 amount under the federal family education loan program or the
33 federal direct loan program, including principal and interest,
34 whichever amount is less.

35 *c.* A mental health professional receiving loan forgiveness

1 payments under this section is required to file an application
2 annually and submit information as required by the commission
3 on the basis of which the applicant's continued eligibility for
4 the loan forgiveness program will be evaluated and determined.

5 5. A mental health professional loan forgiveness fund is
6 created as a separate fund in the state treasury under the
7 control of the commission for deposit of moneys appropriated
8 to or received by the commission for use under the program.
9 Moneys credited to the fund are appropriated to the commission
10 for purposes of the mental health professional loan forgiveness
11 program. Notwithstanding section 8.33, moneys deposited in the
12 fund shall not revert to any fund of the state at the end of any
13 fiscal year but shall remain in the loan forgiveness repayment
14 fund and be continuously available for loan forgiveness under
15 the program. Notwithstanding section 12C.7, subsection 2,
16 interest or earnings on moneys deposited in the fund shall be
17 credited to the fund.

18 6. The commission shall submit in a report to the general
19 assembly by January 1, annually, the number of mental health
20 professionals who received loan forgiveness payments pursuant
21 to this section, the underserved areas in which those mental
22 health professionals practice or practiced, the amount paid
23 to each mental health professional under this section, and
24 other information identified by the commission as indicators
25 of outcomes from the program.

26 7. The commission shall adopt rules pursuant to chapter 17A
27 to administer this section.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 This bill establishes a mental health professional loan
32 forgiveness program under the administration of the college
33 student aid commission. Under the program, mental health
34 professionals who practice in underserved areas are eligible
35 for loan forgiveness payments for up to five years.

1 The bill defines "mental health professional" and
2 "underserved area" for purposes of the program. A mental
3 health professional either holds at least a master's degree in
4 a mental health field, holds a current Iowa license, and has
5 at least two years of post-degree clinical experience or is a
6 licensed psychiatrist or psychologist, an advanced registered
7 nurse practitioner who holds a national certification in
8 psychiatric mental health care registered by the board
9 of nursing, or a physician assistant practicing under the
10 supervision of a psychiatrist. An underserved area is a
11 geographical area designated as a mental health professional
12 shortage area by the Iowa department of public health.

13 Applicants for loan forgiveness payments are required to
14 submit an application and an affidavit of practice to the
15 commission. The annual amount of loan forgiveness awarded
16 to an individual under the program shall not exceed the
17 resident tuition rate established for regents universities
18 for the first year following the mental health professional's
19 graduation from a graduate school, or 20 percent of the mental
20 health professional's total federally guaranteed Stafford loan
21 amount under the federal family education loan program or the
22 federal direct loan program, including principal and interest,
23 whichever amount is less.

24 The bill creates a mental health professional loan
25 forgiveness fund in the state treasury under the control of the
26 commission for deposit of moneys appropriated to or received by
27 the commission for use under the program. Moneys credited to
28 the fund are appropriated to the commission for purposes of the
29 program and do not revert to any fund of the state at the end of
30 any fiscal year, and interest or earnings on moneys deposited
31 in the fund shall be credited to the fund.

32 The commission shall submit a report to the general assembly
33 by January 1, annually, detailing the number of mental health
34 professionals who received loan forgiveness payments and the
35 amount paid to each recipient, the underserved areas in which

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1 they practice or practiced, and other information identified by
2 the commission as indicators of outcomes from the program.